

INSPECTOR GENERAL
76-2096

17 MAY 1976

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12 May 76

MEMORANDUM FOR: Director of Central Intelligence

FROM : Donald F. Chamberlain
Inspector General

SUBJECT : Allegations Concerning CIA Contained in the 20 May 1976
Issue of Rolling Stone Magazine

1. This is in response to your request that I investigate the allegations contained in an article by Howard Kohn. Among other things Mr. Kohn alleges that CIA funneled more than \$1 million from its secret budget into Dewey's 1948 presidential campaign and that the Agency in 1948 provided Governor Dewey with information on Alger Hiss' Communist connections which Dewey gave to Representative Nixon. It is charged that the information provided to Nixon led to Hiss' conviction. Mr. Kohn states that his information comes from CIA sources.

2. The following individuals and records were consulted for any evidence that would substantiate such charges:

25X1A a. [REDACTED] (retired) was Deputy Chief of the Finance Division in 1948. He considers the campaign contribution charge preposterous. He has no recollection of expenditures for such a purpose and any expenditure of \$1 million in 1948 would have been a cause celebre.

b. 1948 Expenditure Records - These records were recalled from Records Center and reviewed. No unusual expenditures were found. The largest single expenditure for that year was \$100,000.

25X1A c. Office of Policy Coordination (OPC) Records - Covert expenditures in 1948 would likely appear in OPC records. These records are retained by the DDO [REDACTED]. The [REDACTED] says they have no records which would lend any credence to Kohn's allegations regarding campaign expenditures.

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d. Alger Hiss Records - We had no conclusive documentary evidence of Hiss' Communist connections until 1954, i.e., in 1948 we could not have provided Dewey or Nixon with evidence that led to Hiss' conviction.

e. Walter Pforzheimer - Mr. Pforzheimer (retired) was Legislative Counsel in 1948. He can provide no information; he considers the charges ridiculous.

f. DCI Hillenkoetter's Records - A member of my staff has reviewed Admiral Hillenkoetter's daily office diary for the period 1 November 1947 to 31 December 1948. There are no references to Representative Richard Nixon or any member of his staff. There are only three references to Governor Dewey and they are all recorded on 5 April 1948 as follows:

"Mr. Joe Evans, Democratic Natl Comm (tel) - re speeches by Gov. Dewey. Director told him that Mr. Dewey had not visited CIA; that Mr. Dewey is a little off in his statements re the intelligence set-up but that CIA desires no publicity.

Mr. W. Pforzheimer - Reported to Director that Mr. Schwartz of Dewey's staff had informed him that if Mr. Allen Dulles considered his statements re intelligence a little off-base, he was willing to leave the correct and last answer to Mr. Dulles.

Mr. Allen Dulles (tel to NYC) - Director gave him report received from Mr. Schwartz of Dewey's headquarters. Mr. Dulles said this statement was not entirely correct since he had talked to Mr. Dewey whom he knows quite well. Director and Mr. Dulles agreed that since it was election year and since CIA does not desire to get into the political situation, there was not much to be done. However, Mr. Dulles will call Schwartz. Director reported call from Natl Democratic Committee to Mr. Dulles. Mr. D. agreed that CIA does not want publicity."

3. In sum, we find no evidence which even hints that there might be any substance to Kohn's charges. He has taken a few published facts and weaved them into a theory of conspiracy which has no basis in fact.

Donald F. Chamberlain
Inspector General

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Next 1 Page(s) In Document Exempt

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